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NEWS RELEASE

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Broker-Dealer Supervisor Fined for Inadequate Supervision of Broker ***Supervisor admits failing to conduct sufficient oversight over sales agent . . .***

SALT LAKE CITY, Utah – Richard Benton, of Salt Lake, consented to the entry of an order by the Utah Division of Securities that imposes a fine of \$5,000 and prohibits Benton from acting as a supervisor over other stockbrokers. Benton admitted failing to conduct adequate supervision.

The Division of Securities had issued a petition in May 2005, proposing to suspend Benton's license and impose a fine. Benton had been a branch office supervisor for Round Hill Securities from 1996 to 2003. During that time, one of the agents under Benton's supervision mismanaged two accounts of a customer. The agent conducted excessive trading in the client's accounts and made unsuitable recommendations.

As branch manager, Benton failed to detect and act upon warning signs of the agent's misconduct. The broker's trading in the accounts was inconsistent with the investment objectives expressed by the customer and the accounts had excessive trading – in some cases, stocks were bought, sold, and repurchased within days. Benton also failed to investigate further when the account values dropped dramatically. The broker's activities were reflected on internal reports of the broker-dealer, but Benton failed to investigate the reasons for the entries on the internal reports.

In February 2006, Round Hill Securities consented to an Order entered by the Division. Under that Order, Round Hill paid a fine of \$25,000 and repaid the customer's losses. The broker, Stephen Nebeker, admitted to excessively trading the customer accounts, as part of an Order by the Division entered on March 22, 2006. Nebeker agreed to be barred from the securities industry and a \$20,000 fine was imposed.

With today's settlement involving Benton, this case now is concluded against all the parties.